

Effective 7/1/2015

Superseded 7/1/2016

63N-2-512 Hotel Impact Mitigation Fund.

- (1) As used in this section:
 - (a) "Affected hotel" means a hotel built in the state before July 1, 2014.
 - (b) "Direct losses" means affected hotels' losses of hotel guest business attributable to the qualified hotel room supply being added to the market in the state.
 - (c) "Mitigation fund" means the Hotel Impact Mitigation Fund, created in Subsection (2).
- (2) There is created an expendable special revenue fund known as the Hotel Impact Mitigation Fund.
- (3) The mitigation fund shall:
 - (a) be administered by the board;
 - (b) earn interest; and
 - (c) be funded by:
 - (i) payments required to be deposited into the mitigation fund by the Division of Finance under Subsection 59-12-103(13);
 - (ii) money required to be deposited into the mitigation fund under Subsection 17-31-9(2) by the county in which a qualified hotel is located; and
 - (iii) any money deposited into the mitigation fund under Subsection (6).
- (4) Interest earned by the mitigation fund shall be deposited into the mitigation fund.
- (5)
 - (a) In accordance with office rules, the board shall annually pay up to \$2,100,000 of money in the mitigation fund:
 - (i) to affected hotels;
 - (ii) for four consecutive years, beginning 12 months after the date of initial occupancy of the qualified hotel occurs; and
 - (iii) to mitigate direct losses.
 - (b)
 - (i) If the amount the board pays under Subsection (5)(a) in any year is less than \$2,100,000, the board shall pay to the Stay Another Day and Bounce Back Fund, created in Section 63N-2-511, the difference between \$2,100,000 and the amount paid under Subsection (5)(a).
 - (ii) The board shall make any required payment under Subsection (5)(b)(i) within 90 days after the end of the year for which a determination is made of how much the board is required to pay to affected hotels under Subsection (5)(a).
- (6) A host local government or qualified hotel owner may make payments to the Division of Finance for deposit into the mitigation fund.
- (7) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the office shall, in consultation with the Utah Hotel and Lodging Association and the county in which the qualified hotel is located, make rules establishing procedures and criteria governing payments under Subsection (5)(a) to affected hotels.